PERFORMING PROVIDER SYSTEM DEVELOPMENT LIFECYCLE:

AN ILLUSTRATIVE EXAMPLE

DSRIP SCENARIO: PRESENT DAY NEW YORK

- Hospital A senior leadership has attended a seminar on DSRIP and have decided to participate. Leadership reviewed the program documents available on the DSRIP website.
- Hospital A is eligible to lead a DSRIP project since it qualifies as a DSRIP safety-net provider; and
  - ✓ *Has past administrative expertise working on collaborative health partnerships*
  - ✓ *Is in a position to pass the DSRIP lead provider financial assessment.*

DSRIP SCENARIO: PRESENT DAY NEW YORK

Hospital A identified its current issues as the following:

- Excess hospital beds with an occupancy rate of 70% but staffing for 90% due to service maldistribution;
- Inefficient hospital purchasing systems – e.g., each orthopedic MD uses different joint implants;
- 50% of ED visits are for primary care sensitive diagnoses resulting in excessive ED wait times. Patients state they are not able to obtain primary care appointments;
- 30 day readmission rates from Skilled Nursing Facilities (SNFs) is twice state average.

HOSPITAL A: ACA COMMUNITY ASSESSMENT

As an ACA requirement, Hospital A already has current data to use for an initial community assessment.

- While there are sufficient primary care services for commercially and Medicare insured patients, there is significant unmet need for Medicaid recipients.
- Most Medicaid recipients are seen in the local FQHCs and the primary care residency practices in the hospital. The latter sometimes leads to discontinuity in care. There are also 2 rural health clinics with limited hours serving two different rural areas. These patients disproportionally use the Emergency Room due to these limited hours.
- Zip code analysis has identified the key population centers for persons with avoidable hospital use.
- Two local Skilled Nursing Facilities are responsible for 70% of avoidable readmissions.

HOSPITAL A: ACA COMMUNITY ASSESSMENT

- Obesity, diabetes and cardiovascular disorders are the most common serious health conditions in the adult Medicaid population. Asthma is the most common reason for avoidable ED use for children in that population.
- The social determinants of health is a serious issue for Hospital A's patient population:
  - The hospital has a number of chronically homeless substance abuse dependent persons who cycle frequently through their facility.
  - There is insufficient supportive housing to serve this population.
- Disparities based on race, ethnicity and income are present within the community and need to be addressed.
- Electronic connectivity to the RHIO and use of EHRs are underutilized.

PARTNER IDENTIFICATION & DSRIP LETTER OF INTENT

- Based on the identified needs, Hospital A identifies initial community partners including an outlying small safety net hospital, 3 FQHC, a large mixed physician practice, 2 Health Homes, 2 Rural Clinics, 2 Skilled Nursing Facilities, and 1 CBO.
- The entities agree in principle to form the Health Partners Initiative (HPI) in service region which covers a few counties. Due to its administrative experience in prior partnership programs, Hospital A will be the lead entity in the emerging Performing Provider System (PPS).
- A non-binding letter of intent for a DSRIP Project Design Grant application is submitted to the state by May 15, 2014.

HPI DESIGN GRANT APPLICATION: FIRST STEPS

- Discussions identify the need to include community partners, specifically, alternative/supportive housing, Community Food Projects, and County Health Departments.
- The service area for the PPS was agreed to be the multi-county region served by the partners.
- There are 100,000 total Medicaid recipients within this region that HPI believes can be attributed to the emerging PPS.

SAFETY NET PROVIDER STATUS OF *INITIAL* HPI PARTNERS

Safety Net Providers:

- ✓ Hospital A
- ✓ Outlying small safety net hospital
- ✓ 3 FQHCs
- ✓ 2 Rural Health Clinics
- ✓ 2 Health Homes
- ✓ 2 SNFs
- ✓ County Public Health Department (through clinics)

Non-safety Net Providers:

- ✓ Large Mixed Physician Practice
- ✓ Supportive Housing
- ✓ Community Food Project (CBO)

STRUCTURING A PERFORMING PROVIDER SYSTEM

There is no single formula for a successful PPS…..so HPI researched different approaches (IDS, IPA, MSGP, PHO, etc.)

HPI members spent significant time trying to understand the following as they decided which structure best fit their PPS:

- ✓ **(i) forming the necessary relationships/partnerships;**
- ✓ **(ii) achieving the necessary level of integration;**
- ✓ **(iii) governance;**
- ✓ **(iv) data collection and analysis; and**
- ✓ **(v) payments and incentives.**

HPI GOVERNANCE

The partners agree that the initial structure of HPI will be a shared governance model with each partner having a member on the Board of Directors.

- The shared governance allows not only for the PPS to maintain representativeness of participating providers, but also representativeness of the community as the collection of providers was a reflection of the community needs assessment.
- HPI also understood that a successful partnerships in DSRIP is not just about the size of the provider or attribution tied to any one partner; but rather, the cumulative skills possessed by the team to reduce avoidable hospitalizations

HPI GOVERNANCE

- Hospital A, as the lead of the emerging PPS, will serve as chair of the Board.
- Articles of Incorporation were filed with the state; HPI bylaws were created.
- MOUs are signed including Business Associate Agreements (BAAs) to ensure all confidentiality requirements are met.
- HPI has also decided to apply for a Certificate of Public Advantage (COPA) through the DSRIP Project Plan application as HPI has brought together most of the larger health providers in their service area and want to make sure that it has protection from anti-trust issues that may arise from the PPS partnership.

HPI PROJECT DESIGN GRANT APPLICATION: PROJECT SELECTION*

- Based upon the initial discussions the forming PPS chose the following projects:
- Domain 2: (Goal: To create integrated delivery system and address high readmission from Skilled Nursing Facility);
- 2.a.i Create Integrated Delivery Systems that are focused on Evidence Based Medicine / Population Health Management;
- 2.a.iv Create a medical village using existing hospital infrastructure;
- 2.b.v Care transitions intervention for skilled nursing facility residents.

*Note: This is HPI's *initial* project list and is *subject to change* as further analysis and discussions progress during the planning process.

HPI PROJECT DESIGN GRANT APPLICATION: PROJECT SELECTION* *(CONTINUED)*

- Domain 3: (Goal: To address high volume of inpatient admissions due to chronic disease and asthma as well as the needs of the chronically homeless population that have significant behavioral health challenges).
- 3.a.i Integration of primary care services and behavioral health.
- 3.b.i Evidence based strategies for disease management in high risk/affected populations (adult only).
- 3.d.ii Expansion of asthma home-based self-management program.
- Domain 4: (Goal: To jointly address chronic disease risk reduction and asthma admissions due to second hand smoke).
- 4.b.i. Promote tobacco use cessation, especially among low SES populations and those with poor mental health.

*Note: This is HPI's *initial* project list and is *subject to change* as further analysis and discussions progress during the planning process.

HPI PROJECT DESIGN GRANT APPLICATION:

COMMUNITY NEEDS ASSESSMENT; VENDORS; BUDGET

- HPI applies for a DSRIP Planning Grant
- HPI decided to hire a vendor to assist with the comprehensive community assessment to ensure an unbiased appraisal of community need.
- Each participant also did its own internal employee assessment to understand the readiness for change and willingness to participate; also each assessed current and future workforce needs including reassignment and re-training.
- A procurement process for a vendor was initiated in anticipation of funding.
- A design grant budget and a separate capital budget were developed and submitted. As part of reporting, the small safety net hospital noted that it would be seeking capital funding for closure as a hospital and updating to a medical village.

DSRIP PROJECT DESIGN GRANT AWARDED!

Let the Project Planning Begin…

DSRIP PLANNING ACTIVITIES

- Extensive Community Assessment undertaken
- HPI and vendor review all data sources available regarding the health dynamics of the region.
- HPI also conducts numerous community meetings and smaller neighborhood focus groups with individuals and various CBOs.
- HPI sets up website to inform community of project plan progress and share information about open meetings and other ways to engage and provide feedback to the emerging PPS
- After multiple meetings between HPI Partners, its vendor, the HPI Project Advisory Committee (PAC), and community stakeholders, HPI leadership builds consensus on implementation of the projects and development of the project plan.
- Financial planning and further legal partnership agreements developed.
- DSRIP Support Team consulted to resolve regulatory issues.

HPI COMMUNITY NEEDS ASSESSMENT: KEY FINDINGS

- Small Community Network Hospital struggling financially due to excess inpatient capacity;
- Insufficient primary care physicians due recruitment issues;
- Struggles in implementing PCMH;
- Problems implementing and using new EHR systems and RHIO connectivity;

HPI COMMUNITY NEEDS ASSESSMENT: KEY FINDINGS *(CONTINUED)*

- Limited care coordination and communication between the hospital and Skilled Nursing Facilities;
- Lack of capacity and access to mental health services;
- Patient education needs to be addressed. Some ER use is occurring even when other better alternatives are available
- Asthma admissions for children primarily in two zip codes—lower income/mixed residential and industry/high tobacco use.

HPI STRATEGIC PLAN

- Hospital A will reduce 20 beds.
  - A workforce retraining program, developed in collaboration with the HPI PAC, will be started for workers who staffed the beds that are closing.
- The community safety net hospital will become an outpatient campus. They will maintain a stand alone ED.
  - Ambulatory surgery such as endoscopies will remain at this campus.
  - Existing workers will be retrained to play new roles.
- One FQHC will move into the community safety net hospital site, adding an urgent care service and co-locating with the behavioral health (mental health and addiction services) clinic and the dental clinic at that site.
  - The new clinic will fully integrate primary care and behavioral health and will meet new sight standards associated with Advanced Primary Care (APC) model
  - The new larger site will allow for more primary care practitioners, rotating specialists and EHR implementation. This will allow the FQHC to advance into a PCMH. This site will also link with the rural health clinics for coverage needs.

HPI STRATEGIC PLAN

- Supportive housing and community food projects will have offices at the above site for ready access to these services.
  - Supportive housing will liaison with behavioral health to address homeless substance abuse patients.
  - A community farmer's market, food bank and nutritional services are planned with the community food project.
- The Health Homes will provide shared services in the new campus to allow high risk Medicaid members ready access to care management services outside of those provided by the PCMH.
- The Health Homes will contract with CBOs that are culturally competent to perform patient outreach, including home visits, in neighborhoods with high rates of avoidable ER use to raise awareness of alternative care options.

HPI STRATEGIC PLAN

- The community home care service provider (HCSP) will develop an office at the Hospital A and establish a transitional care program for the community and the SNF in the area. The community HCSP formally joins the emerging PPS as a member; they meet safety net criteria.
- The SNFs will work with the now free standing ED to establish protocols and an on call service to address acute needs of SNF patients, avoiding hospitalizations.
- This system will integrate using agreed on protocols and establish connectivity with EHRs and the in place health information exchange.
- The County Public Health with the community VNS undertake home assessments and tobacco cessation activity in the targeted zip codes.

HPI DSRIP PROJECT PLAN APPLICATION

- HPI develops their DSRIP Project Plan application incorporating the seven projects identified to be most relevant to the counties they serve.
- For each of their DSRIP projects, HPI develops a planning and implementation action plan.

Example Gantt Chart on next slide.

HPI DSRIP PROJECT GANTT CHART (PROJECT 3.A.I)

3.a.i Integration of behavioral health into primary care	Year 1 (9 Months)			Year 2 (9 Months)			Year 3
Tasks	**July-Sept**	**Oct-Dec**	**Jan-March**	**Apr-Jun**	**July-Sept**	**Oct-Dec**	**Jan 2016**
Assessment BH svcs. in community and internally							
Assess readiness of FQHC and practice sites for BH integration							
Develop planning partnerships including organizational structure, agreements and contracts							
Assess IT needs for shared electronic health records							
Plan and address conversion of clinic space in SNH - Medical Village							
Address state requirements for clinic conversion							
Convert clinic site							
Implementation of HIT							
Training of former hospital staff to new roles in clinic							
Combined FQHC with BH services open							
Monitor metrics re: use of services and avoidable hospitalizations							

HPI DSRIP PROJECT PLAN: APPLICATION VALUATION

- HPI's goal is to obtain at least a 90% score on their DSRIP Project Plan application
  - ✓ HPI has conducted a thorough community assessment and has chosen project based on the needs of its community
  - ✓ HPI hopes to receive extra points for their effort in engaging and collaborating with their community organizations to develop its project plan
- With help from the state, HPI has determined the Medicaid population attributed to its PPS is 100,000 lives.

HPI DSRIP DRAFT PROJECT PLAN: APPLICATION VALUATION

Project	Value	Project Index Score	Valuation Benchmark (7 Projects)	Project PMPM	# Medicaid Members	Project Plan Application Score	# DSRIP Months	Max. Project Value
2.a.i Create Integrated Delivery Systems that are focused on Evidence Based Medicine / Population Health Management	56	0.93	$6.80	$6.32	100,000	0.9	60	$ 34,128,000.00
2.a.iv Create a medical village using existing hospital infrastructure	54	0.90	$6.80	$6.12	100,000	0.9	60	$ 33,048,000.00
2.b.v Care transitions intervention for skilled nursing facility residents	41	0.68	$6.80	$4.62	100,000	0.9	60	$ 24,948,000.00
3.a.i Integration of primary care services and behavioral health	39	0.65	$6.80	$4.42	100,000	0.9	60	$ 23,868,000.00
3.b.i Evidence based strategies for disease management in high risk/affected populations (adult only) (cardiovascular)	30	0.50	$6.80	$3.40	100,000	0.9	60	$ 18,360,000.00
3.d.ii Expansion of asthma home-based self-management program	31	0.52	$6.80	$3.54	100,000	0.9	60	$ 19,116,000.00
4.b.i. Promote tobacco use cessation, especially among low SES populations and those with poor mental health	23	0.38	$6.80	$2.58	100,000	0.9	60	$ 13,932,000.00
							Maximum Application Value	**$ 167,400,000.00**

HPI FUNDING DISTRIBUTION: FLOW OF FUNDS AGREEMENT

HPI has established a fund distribution when performance payments are received:

For Safety-Net Eligible Providers (95% of Maximum Application Valuation)

- 70% will be assigned to the cost of the project (including lost revenues) based on shifting resources, staff and program lines. ($111.3 million).
- 10% will be assigned to program administration including staff, consultants. ($15.9 million).
- 20% will be assigned for bonus payments to partners for achievement beyond the expected milestones. ($31.8 million).

HPI FUNDING DISTRIBUTION: FLOW OF FUNDS AGREEMENT

For Non-Qualifying DSRIP Providers (5% of Maximum Application Valuation)

- For the four non-safety net providers, the 5% ($8.55 million) will be distributed as follows:
  - 40% to the large multispecialty practice (for provision of specialty services at medical village),
  - 20% to each of the three community providers (for supportive housing office and new housing units, for nutrition services/food bank/farmer's market and for community outreach and engagement services).

HPI SUBMITS PROJECT PLAN … APPROVED WITH SCORE OF 93%

Total Application Valuation: $173,277,600